# FOREIGN POLICY BULLETIN

The Library Sevance, Tenn.

Univ. of the South

An analysis of current international events

1918-1951

FOREIGN POLICY ASSOCIATION INCORPORATED • 22 EAST 38TH STREET • NEW YORK 16, N. Y.

VOL. XXX No. 23

MARCH 16, 1951

## New Strength Bolsters West at Paris Conference

Washington—It would be remarkable if the Soviet Union and the three Western powers—the United States, Britain and France—should concur on an agenda for discussion, much less agree on substantial questions, during their conference which began in Paris on March 5.

#### Impediment of Mistrust

The four powers reached their last major agreement late in 1946, when they negotiated peace treaties for Italy, Rumania, Bulgaria and Hungary. They agreed on a more narrow matter, the international control of the Danube River, in the summer of 1947. During the years since then relations between Moscow and Washington have steadily deteriorated. The mountain of mistrust can hardly be removed by a single conference. As long as East and West each imputes an aggressive purpose to the other, both sides will remain uncertain whether agreement now would not subject peace and security to greater danger than the continuation of disagreement for the present.

Since the Soviet Union could probably make more attractive offers of trade to West Germany than can be held out by the United States, Britain or France, the possibility that a de-occupied and unified Germany would become oriented toward Russia is enough to make Washington hesitant about settling the German issue by an agreement that would eliminate our influence from the Reich. The Kremlin seems reluctant to abandon its strategic position in Austria by agreeing to a treaty for that nation unless it gains in return a new strategic position in the Adriatic-Balkan area. So one need not be aston-

ished if the Paris meeting comes to naught. Failure to agree now, however, does not wipe out the chance to agree later.

The Truman Administration approached the Paris meeting skeptically, and nothing has happened to alter that skepticism. With respect to Germany, the Soviet deputy at Paris, Andrei A. Gromyko, has stressed the alleged Western violation of the Potsdam agreement in the proposals for rearming West Germany. The West has countered with a question about the origin of the failure to carry out Potsdam provisions calling for the unification of Germany.

As an integral feature of the problem of peace for Austria, Mr. Gromyko on March 7 brought up the nonfulfillment of the Italian peace treaty provisions relating to Trieste. The treaty called for the internationalization of Trieste under administration by a governor to be appointed by the United Nations Security Council; this provision has not been put into force because the Council has failed to choose a governor. Thus Trieste remains under the administration, in two zones, of the United States, Britain and Yugoslavia. International control with the participation of Russia (as a permanent member of the Security Council) could work now to the disadvantage of Yugoslavia, whose security the United States is reluctant to endanger.

#### Western World Ascendant

The Truman Administration can bear the prospect of failure in Paris with equanimity because leading American officials see the Western world on the ascend-

ant in the power struggle. On the eve of and during the deputies' meeting the United States has pushed ahead policies which might not survive agreement with the Soviet Union but which emphasize the accretion of Western strength and stability. On the second day of the conference General Dwight D. Eisenhower, Supreme Commander of the Allied Powers in Europe, announced the selection of British, French and Italian officers for important staff posts in the North Atlantic treaty military organization, whose existence underlines the Western suspicion of Soviet intentions. On the same day, March 7, the Allied High Commission in Western Germany-representing the United States, Britain and France -authorized the government of the German Federal Republic in Bonn to establish a foreign ministry in order the make possible Bonn's inauguration of diplomatic relations with sovereign nations (although the Commission may disapprove the institution of German relations with any countries except those with which Bonn now has consular relations). These amendments to the Occupation Statute of 1950 represent a policy growing out of East-West division.

Moreover, the Administration saw its policy of strength bolstered by the action of the Senate Foreign Relations Committee on March 8 in authorizing the President to send troops to Europe without stating how many he may send. On the following day the Senate further bolstered Administration policy by voting 79 to 5 to lower the draft age to 18, to increase from 21 to 24 months the period of drafted

Contents of this BULLETIN may be reproduced with credit to the Foreign Policy Association

men's military service, and to authorize the President to institute a universal training program when he or Congress (indicating its will by concurrent resolution) considers it necessary.

The congressional decisions, however, do not represent a complete victory for the Administration. The troops-in-Europe resolution requires the President to consult with the Senate Foreign Relations and Armed Services committees and the House

Foreign Affairs and Armed Services committees before he sends abroad more than the four divisions already earmarked for the European army of the North Atlantic powers; so in effect the resolution may result in limiting to six divisions—the four plus two already there—the number of troops the President may assign abroad. The resolution does represent a victory in principle for Senator Robert A. Taft, Republican of Ohio, and others who

hold that Congress should share with the President the authority to dispatch troops abroad in time of peace. The draft bill limits to 4 million the total size of the American armed forces; last summer Congress repealed all limits on its size. Nevertheless, the Administration is satisfied that it is gaining enough from Congress to warrant optimism on its part irrespective of whether the Paris talks succeed or fail.

### Will Strains in Eastern Europe Affect Soviet Policy?

Severe and disheartening as the aftereffects of the Korean war have proved for the Western nations, the countries of Eastern Europe also show signs of serious internal stress and strain.

The heavy economic burdens imposed by postwar national plans for reconstruction and development have been greatly increased by the tightening of American and Western European restrictions on exports to the East. At the same time the Kremlin's efforts to maintain its armament pace, now challenged by the United States, while at the same time granting some alleviation of Russia's austere living standards, have brought demands from Moscow for a sharp rise in Eastern European deliveries of food, raw materials and manufactured goods.

For example, it was reported in February that Prague had agreed with great reluctance to a Russian demand that 80 per cent of Czechoslovakia's trade should henceforth be with the Soviet bloc, leaving only 20 per cent for trade with the West, as compared with the previous nearly 50-50 percentage.

#### Economic Pressures

Meanwhile, such raw materials as the U.S.S.R. and the countries within its orbit can still obtain in world markets have steeply gone up in price since the Korean war-notably tin and rubber-with the result that the Soviet bloc, already hard put to obtain foreign currencies through exports, must allocate much larger sums than before for purchases essential to the maintenance of its existing economy. The economic conference recently held in Moscow by the Soviet orbit countries, including China, apparently had as its main purpose an attempt to pool available resources-in an area which, with the exception of the U.S.S.R., Czechoslovakia and, to a much lesser degree, Poland, is still primarily agricultural and nonindustrialized-in such a way as to remedy some of the grave handicaps imposed by Western economic sanctions.

The urgent need for stepped-up production has brought increasing pressure on the part of the Communist governments of Eastern Europe—in turn constantly needled by Moscow—to force the pace of agricultural collectivization and industrial output. Reports from the entire region, from Poland to Bulgaria, indicate that, as has already proved true in Yugoslavia, collectivization meets with growing passive resistance by the peasants.

In announcing Hungary's failure to fulfill its five-year plan in agriculture and the existence of a crisis in the food supply, Deputy Premier Matyas Rakosi told the annual congress of the Hungarian Communist party in Budapest on February 25: "The hardest nut to crack is agriculture. Why? Because not even the Communists in the villages follow the policy of our party." On March 11 it became known that the Budapest government had abandoned its collectivization program, at a time when 90 per cent of cultivated land remains in the hands of individual farmers. Discontent with drastic controls over agriculture in Czechoslovakia is thought to be at least in part responsible for unrest in primarily agricultural Slovakia. According to these reports, it is no mere coincidence that some of the principal leaders accused of plotting with the West happen to be Slovaks, notably Vlado Clementis, former foreign minister, whose flight from the country, then arrest and, subsequently, execution have been variously rumored during the past month.

The efforts of Eastern European countries to develop industries since the war—or, in the case of highly industrialized Czechoslovakia, to keep existing enterprises in high gear—have also run into many obstacles. In Hungary Deputy Premier Rakosi has announced failure to fulfill the five-year plan objectives in coal mining and heavy industry. A lag in coal

production was reported in Poland on March 7, with the January coal output said to be only 85 per cent of the goal set by the six-year plan, and it is believed that new industrial construction is being curtailed. According to Yugoslav sources, the Bulgarian Communist regime has launched a mass collectivization campaign, while ordering the virtual abandonment of its ambitious postwar plans to industrialize the country. In the opinion of foreign observers, labor dissatisfaction with what are regarded as unattainably high norms of production and with shortages of food and consumer goods has produced absenteeism and slow-downs, if not outright sabotage.

#### Political Purges

Under the impact of growing economic difficulties, the Communist regimes of Eastern Europe-like Stalin in the 1930's when the program of the Russian Communists was threatened by peasant resistance to collectivization-have resorted to large-scale purges of party ranks. The most sensational purge of all is under way in Czechoslovakia, where former Foreign Minister Clementis and others have been accused of plotting with the West for betrayal of the Prague government and charges of pro-Westernism have been lodged against members of the armed forces. In Bulgaria, according to the Yugoslavs, Russian officials have been installed to direct the country's rearmament.

The ferment revealed by the various purges indicates that even the most doctrinaire Communists, who had hitherto been regarded as irrevocably committed to support of Moscow, had been sufficiently vulnerable to considerations of national sentiment and interest to question, and possibly resist, Stalin's directives about domestic and foreign policies. Whether or not men like Clementis were affected by Titoism it is yet premature to assert. What is more likely is that comparable

pressures of nationalism have produced today in Czechoslovakia; and may produce in Poland tomorrow, developments similar to those which occurred in Yugoslavia three years ago.

American observers, seeking to ascertain the effect which political tensions and economic strains in the Soviet orbit might cause in Moscow have assumed that the Russian leaders, confronted by evidence of defections in other Communist parties, might develop a more mellow attitude in international negotiations. So far this has not yet become apparent at the current conference of the Big Four foreign ministers' deputies in Paris. It is possible that instead of softening the Kremlin's view of the rest of the world, the prospect of revolt against its control or influence in areas of Europe and Asia which it regards as essential to the security of the U.S.S.R. might make the Soviet government more convinced than ever that the threat to its program which it has often

proclaimed in the past has once again assumed visible shape and may require fresh exertions on its part—provided these exertions do not make Russia itself a victim of general war.

Now that it is beginning to be recognized that the struggle with Russia may not involve a large-scale test of military strength in the near future but may call for a far more trying test of patience, it becomes important for the United States to study carefully practicable alternatives to Russian domination of Eastern Europe. A key factor in such alternatives has already been skillfully introduced by General Eisenhower-and that is the softpedaling of German rearmament. Nothing could have been more calculated to make Eastern European nations, ruthlessly conquered by the Germans, cling to the U.S.S.R., no matter how reluctantly, than the prospect that the United States would bring a new German army into being. It is important for American propaganda to

assure Eastern Europe that opposition to Russia does not spell restoration of German militarism. And while dissident Communists may be ready to challenge Russian attempts to direct the destinies of their countries, this should not lead us to expect that they are prepared to accept without qualification the economic and political institutions of the United States.

If Yugoslavia can be regarded as a fair test case, then it is possible that Communists who defy Stalin may look for guidance first of all to the British Labor party and the German Social Democrats. If the main objective of United States policy is to weaken the U.S.S.R. by drawing as many nations out of its sphere of influence as possible, such a development, far from alarming Americans, might be considered worthy of encouragement.

VERA MICHELES DEAN

(The second of two articles on political developments in Europe.)

## Perkins Stresses Cooperation with European Allies

The primary aim of the foreign policy of any nation must be the protection of the national interest, on the one hand, and the maintenance of peace, as in itself an interest of portentous significance, on the other. It is widely—almost generally—assumed today that the expansion of Russian-Communist imperialism threatens the United States. The problem is to find the wisest measures to contain this imperialism and at the same time avoid a challenge of arms.

Importance of Europe

It is of the first importance to recognize that the critical area in terms of American national interest is Europe. If we look at the matter from the purely material point of view, it is evident that the possession of the resources of Western Europe by a power hostile to the United States would constitute a serious threat and that the industrial strength thus concentrated in the hands of a totalitarian combination of nations would come very near to equaling that of the United States. At the same time the restrictions placed on our trade would have a serious impact on our own economy.

Europe is also that part of the world where free institutions, such as we believe in, are most deeply rooted and where they have the best chance of surviving. In societies under severe economic tension, and often without any solid background of democratic experience, such as those of the Orient, our task is infinitely more difficult and at the same time it is of less immediate importance. We do not need to adopt a policy of defeatism there, but

As its contribution to the "great debate," the Foreign Policy Association has invited distinguished leaders of differing opinions to present their views on the course the United States should follow in world affairs. The eighth article in the series appears in the adjoining columns.

we certainly ought to put our major efforts into that part of the world where we have most at stake and where we have the best chance of substantial success.

Thus, balancing the East against the West, it is easy to see that it is in our national interest to limit the struggle that has already broken out in the Orient as far as we can do so, to abstain from giving aid to the Chinese Nationalists in what would probably be a vain endeavor on their part to regain power on the mainland, and to confine our military operations within the area of Korea, and to make it clear that we will accept any settlement of the Korean problem that is

consistent with the United Nations Charter. It is not likely that at this moment any such settlement can be brought about; but if we are successful in maintaining our present position in Korea and in inflicting heavy losses on the enemy, the situation may change. It may be that a long deadlock is the best we can hope for; but at any rate we must not extend our commitments. There is, in my judgment, grave doubt whether we have not already gone too far in assuming some responsibility for the solution of the Formosa problem.

With regard to areas other than Korea, we must continue to demonstrate sympathy for movements of national independence. In Indo-China we must continue to exert pressure upon the French government to foster a genuine movement of self-rule and to invoke the national feeling of independence against the adherents of Ho Chi Minh. We must also give what economic aid we can to such states as India and Indonesia. We cannot, at the present time, vote for the admission of Communist China to the United Nations at the very moment when that country is violating the Charter; but, assuming that the Korean question is capable of settlement on the terms previously suggested, we should not exclude the possibility of eventually recognizing the Peiping government.

What must be our policy in Europe?

This has been in part already determined. We intend to adopt some system of universal military service; we intend to strengthen our garrisons in Europe; we intend to extend aid to the Western European states in their own rearmament. Some persons fear that such measures will be regarded by the Soviet Union as provocative; but this risk must be taken. Withdrawal or faintheartedness would now weaken the morale of our friends and of itself constitute a danger.

#### Germany Crucial

The really crucial question is that of German rearmament. The Soviet Union has more than once shown that it is extremely nervous on this issue. The overtures made by the East German government for the unification of Germanyovertures, of course, dictated by the Kremlin-make clear what great importance Moscow attaches to this question. If there is a disparity between the forces of the West and the forces of Russia today, time is imperative to make the balance more even. In such circumstances it seems wise tactics to postpone the raising of an issue which might conceivably tip the scales in favor of military action so far as Stalin and his associates are concerned. It might have been better, however, had General Eisenhower put off his statement on the postponement of German rearmament, since this deprives us of a certain amount of leverage in our dealings with the Soviet government at the Big Four conference.

No one can tell how far this conference could reduce existing tension; but it is not wise to take a purely negative attitude with regard to it. Although we have, in a measure, tipped our hand, the Russians, as already pointed out, have shown that they attach great importance to preventing German rearmament. The Kremlin may conceivably make important concessions to stave off so undesirable an eventuality. Moreover, we have no way of measuring accurately but can only estimate the discontents behind the Iron Curtain. We know that they exist; and they may also increase the chances of some partial settlement by negotiation. We must be cautious; but we do not need to be rigid.

In our attitude towards the powers out-

181

side the Atlantic alliance we must be governed by purely practical considerations. It is difficult to see in what way we could get any substantial support from General Francisco Franco; and overtures to Spain are not desirable. On the other hand, it is wise to give such aid as we can to Yugoslavia, whose revolt against Russian domination is certainly one of the most important moral factors in the European balance.

Finally, we must act in all matters in concert with our European friends, exchanging views with them and adjusting our policy to their views as they adjust their policy to ours. Common counsel, not domination, is the spirit of the United Nations, to which we are pledged and in whose name so much of our policy is now put forward.

DEXTER PERKINS

(Professor Perkins, head of the Department of History at the University of Rochester and author of many books, notably *The Evolution of American Foreign Policy* [1948], has just returned from a trip to Europe.)

#### Branch and Affiliate Meetings

NEW YORK, March 19, How Strong Is Russia? Howard C. Gary

CLEVELAND, March 20, Power Through Ideas— Psychological Warfare, Saul K. Padover

DETROIT, March 20, The Philippines, Russell Fifield

MILWAUKEE, March 20, American Leadership in the Free World, W. Averell Harriman

BOSTON, March 22, Does the Western Hemisphere Stand United? John McClintock, Jose Rivas POUGHKEEPSIE, March 24, Britain's Role in the

UN, Sir Gladwyn Jebb PHILADELPHIA, March 26, The Peoples of Asia— Which Way Will They Turn? Frederick Chait,

Which Way Will They Turn? Frederick Chait,
Arthur MacDowell
PHILADELPHIA, March 26, Asia: Democracy's

PHILADELPHIA, March 26, Asia: Democracy's Responsibility, William H. Noble, Jr., Sukhwant Lamba

PHILADELPHIA, March 27, Asia at the Crossroads
—Friend or Foe? Mark Shaw, William Rafsky
PHILADELPHIA, March 27, Asia at the Crossroads
—Friend or Foe? Frances R. Fussell, Eric
Johnson

PHILADELPHIA, March 28, U.S. Foreign Policy in Western Europe, Marshall Dill, Jr., David Heaps

BOSTON, March 29, Africa: Asset or Liability to the Atlantic Nations? Samuel Ojo, Leonard Bruce Chwatt

PHILADELPHIA, March 29, What Are the U.S. Stakes in Europe? Edward Anderson

PHILADELPHIA, March 29, Allied Differences Over Asia, Frederick Chait, Arthur MacDowell

SHREVEPORT, March 29, Britain Today, R. L. Lowndes, Colin Jackson

DETROIT, March 29, 30, 31, Regional Conference on U.S. Foreign Policy in cooperation with the Department of State

#### News in the Making

Britain's Foreign Secretary: Herbert Morrison replaced the ailing Ernest Bevin as Britain's foreign secretary on March 9 in the most important cabinet shift since Prime Minister Attlee came to power in 1945. Morrison brings no special knowledge or experience in world affairs to the Foreign Office, but he has been Attlee's main prop on the domestic scene and is noted as an astute and flexible politician. The change is not expected to modify the basic lines of British policy.

French Electroral Prospects: The prospects for new French elections in June, to be conducted under a compromise voting system with a single ballot, improved as veteran Premier Henri Queuille, a Radical Socialist, succeeded in forming a coalition cabinet. Meanwhile General Charles de Gaulle, leader of the conservative Reunion of the French People, issued a warning in Paris on March 11 that civil war might come should the parties in power act unconstitutionally. This remark was interpreted as a reference to possible delays in holding the new elections.

Point Four Need Stressed: The International Development Advisory Board, headed by Nelson Rockefeller, advised President Truman on March 11 that a multibillion dollar program to raise living standards in underdeveloped areas was an indispensable part of any plan designed to halt Soviet aggression. Mr. Rockefeller's group suggested that a consolidated agency called the Overseas Economic Administration should channel billions of private and public dollars into projects of world economic development.

WHITHER IRAN?: In the wake of the assassination of Premier Gen. Ali Razmara on March 7, Hussein Ala, former ambassador to the United States, has been nominated to the post of premier of Iran. He may be expected to continue the pro-Western policies of his predecessor despite the threats of the fanatical Crusaders of Islam sect, one of whose members killed Premier Razmara. This sect, among other things, demands nationalization of the Anglo-Iranian Oil company's vast holdings.

FOREIGN POLICY BULLETIN. Vol. XXX, No. 23, March 16, 1951. Published weekly from September through May inclusive and biweekly during June, July and August by the Foreign Policy Association, Incorporated. National Headquarters, 22 East 38th Street, New York 16, N. Y. Brooks Emeny, President; Vera Micheles Dean, Editor; William W. Wade, Associate Editor. The Foreign Policy Association contributes to public understanding by presenting a cross section of views on world affairs. The Association as an organization takes no position on international issues. Any opinions expressed in its publications are those of the authors. Re-entered as second-class matter June 4, 1948, at the Post Office at New York, N. Y., under the Act of March 3, 1879. Four Dollars a Year: Please allow at least one month for change of address on membership publications.

Produced under union conditions and composed and printed by union labor.